



Economic Outlook for the U.S. and DC Metro Area

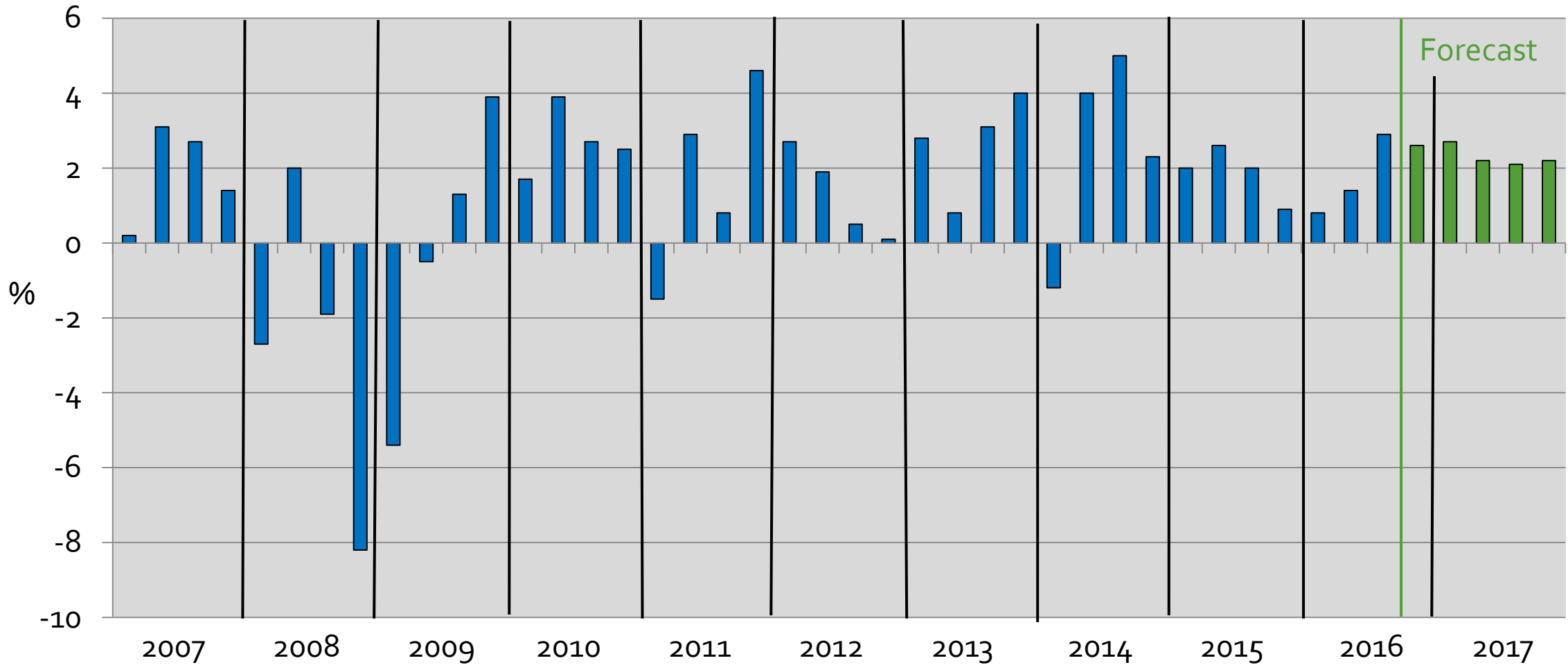
Presentation to

RSM Clients, Alumni & Friends Event

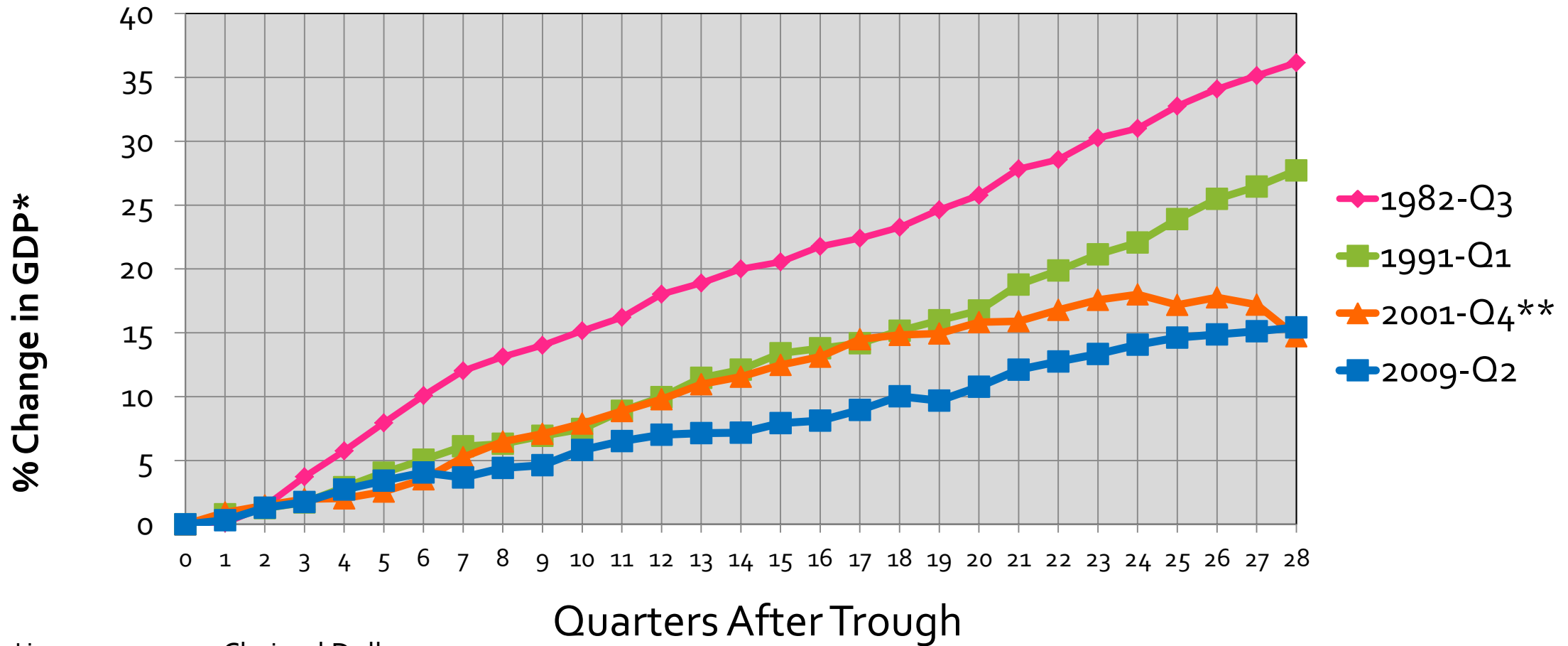
Terry L, Clower, Ph.D., Director
Center for Regional Analysis
Schar School of Policy and Government
George Mason University

November 3, 2016

U.S. Gross Domestic Product Quarterly Change: 2007 – 2017



Recession Recovery Patterns of GDP Past Four Recessions

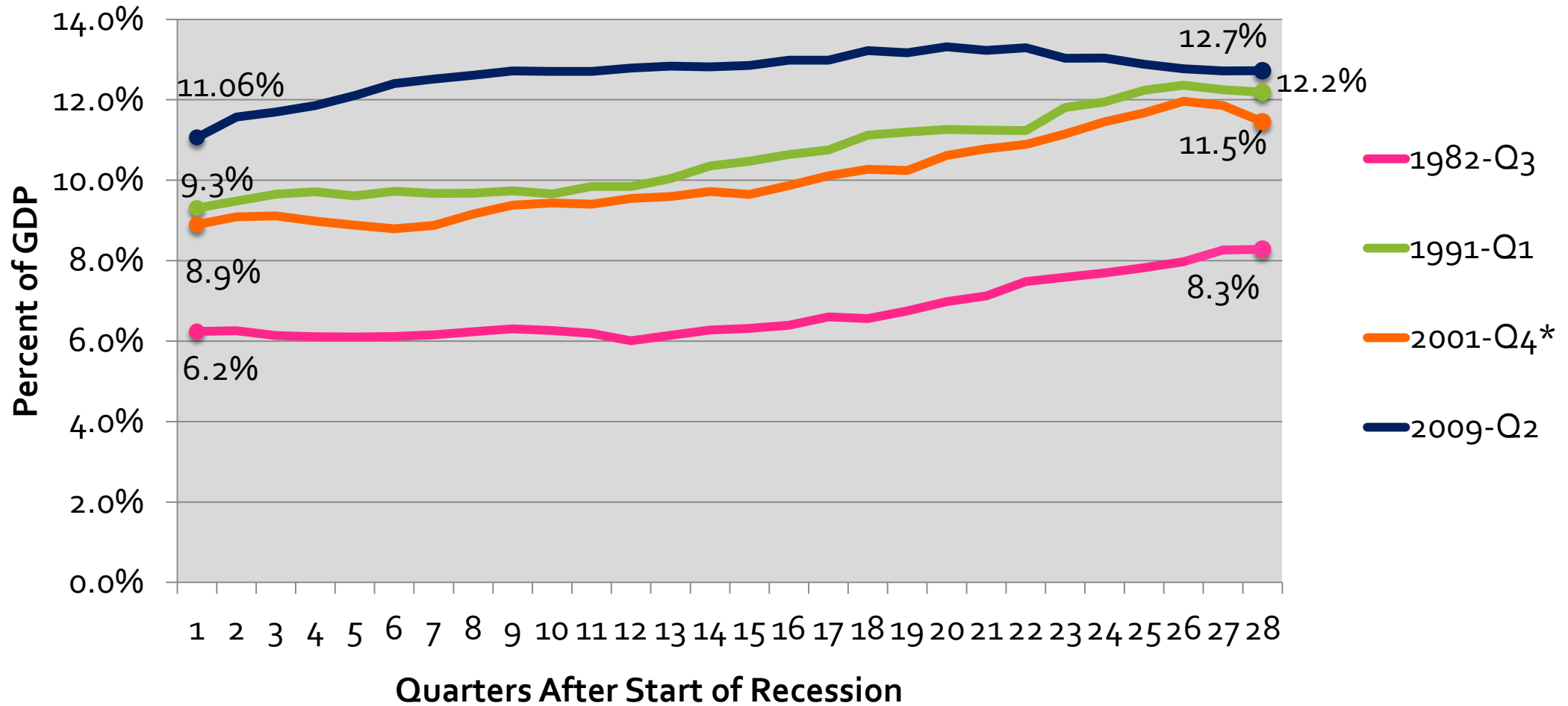


*in 1992 or 2009 Chained Dollars

** Quarters 26+ include the 2009 Recession

Sources: Bureau of Economic Analysis, GMU Center for Regional Analysis

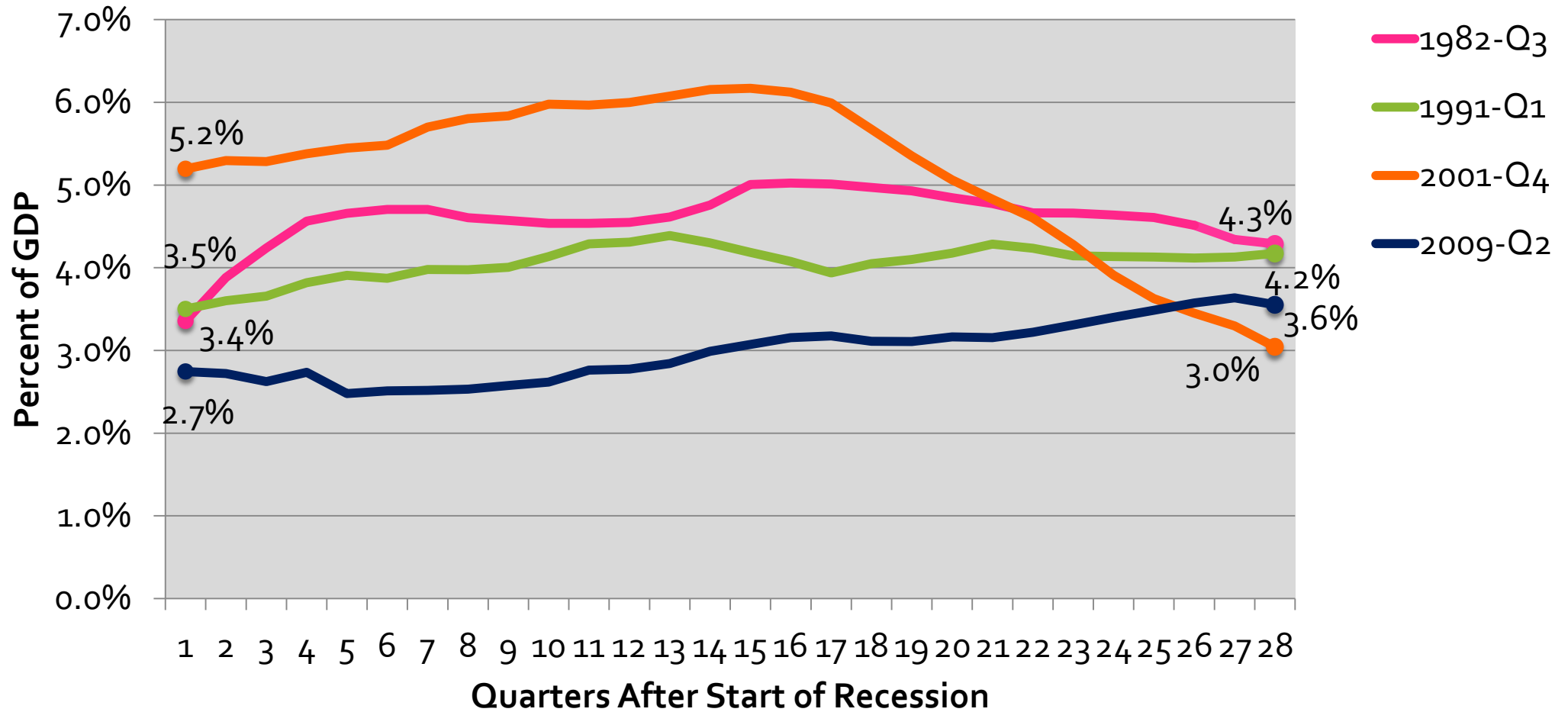
Increasing Role of Exports % of GDP 28 Quarters Post-Recession



* Quarters 26+ include the 2009 Recession
Source: Bureau of Economic Analysis

Decreasing Role of Residential Investment

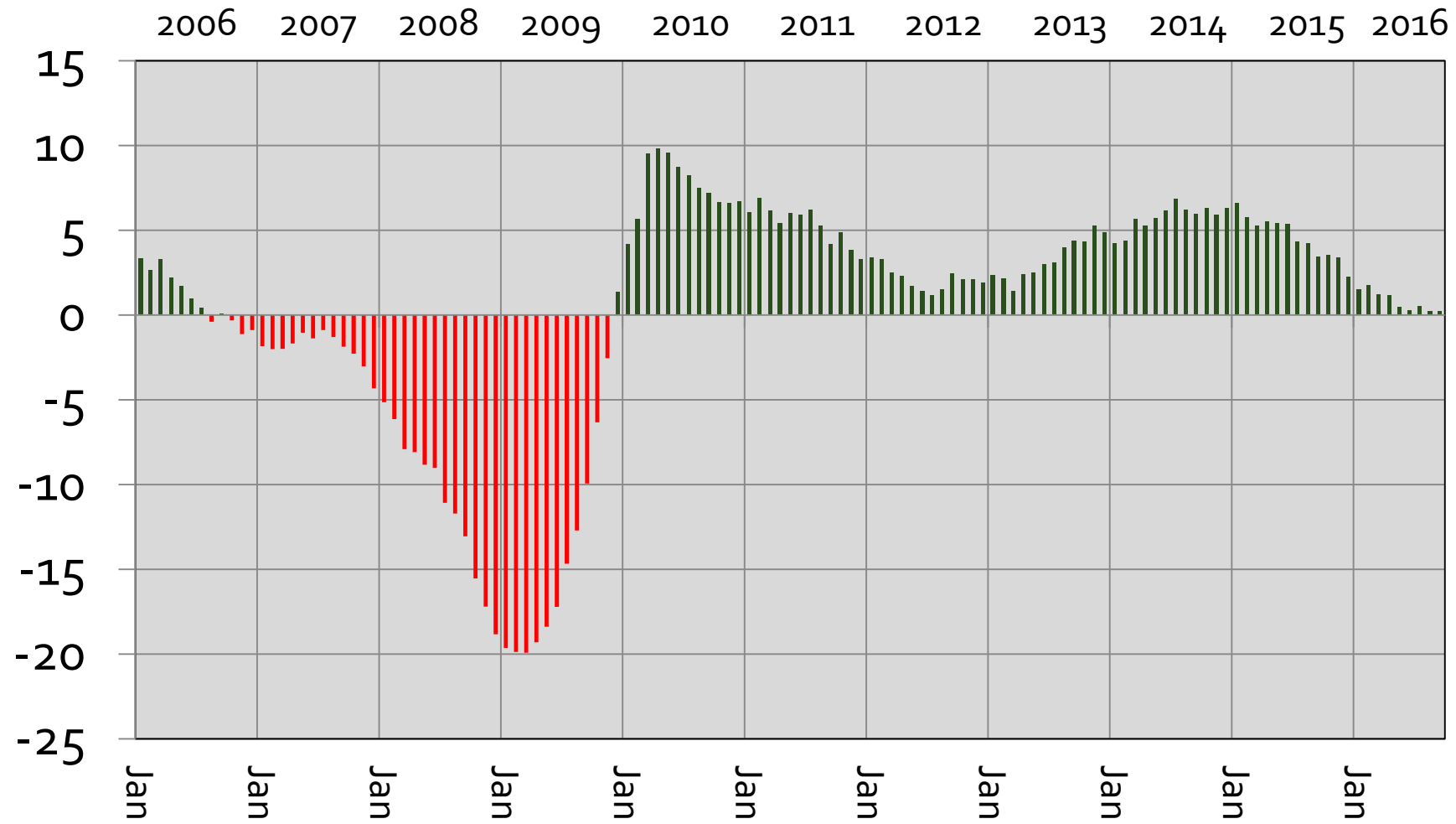
% of GDP 28 Quarters Post-Recession



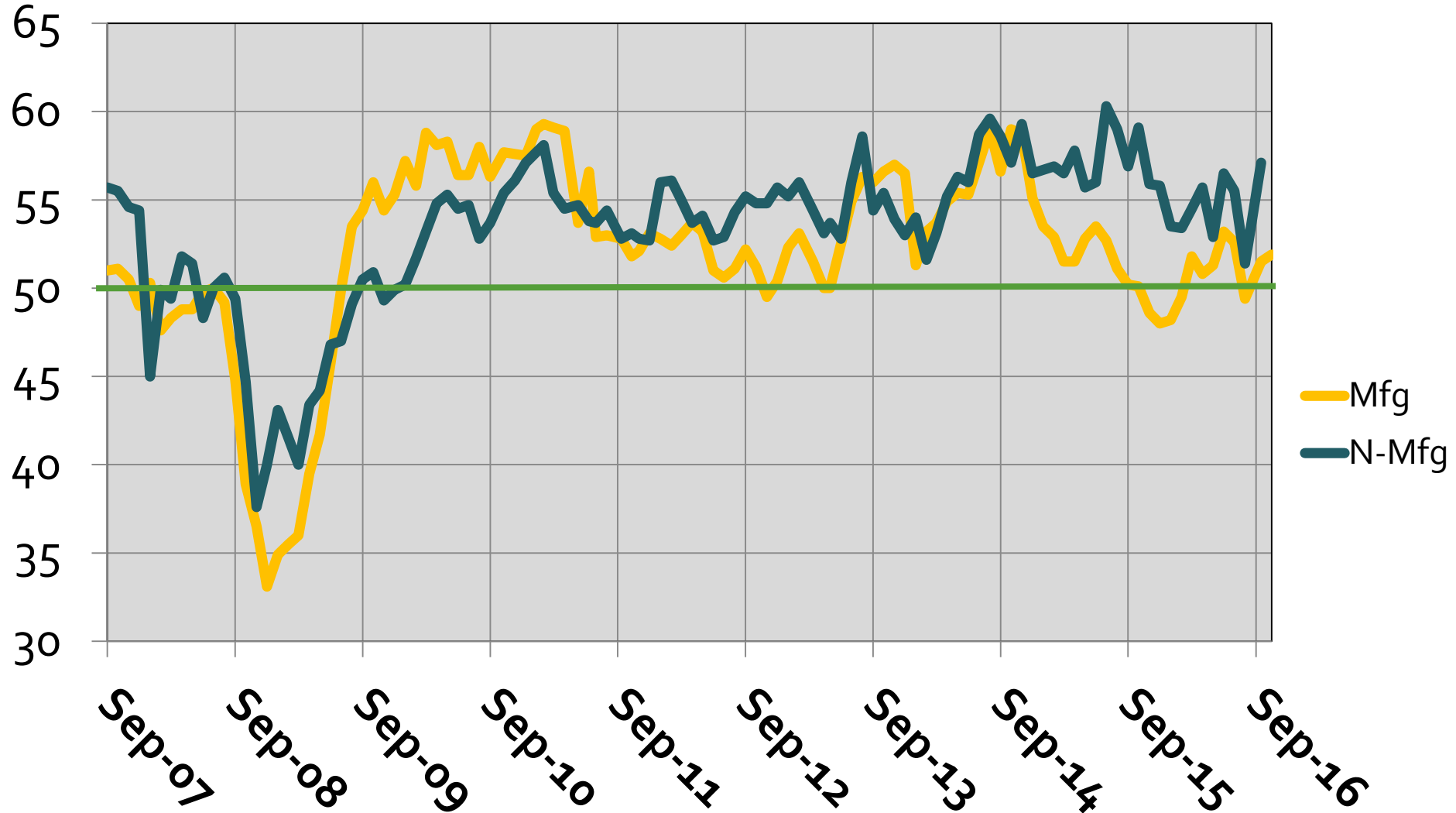
* Quarters 26+ include the 2009 Recession
 Source: Bureau of Economic Analysis

U.S. Leading Index

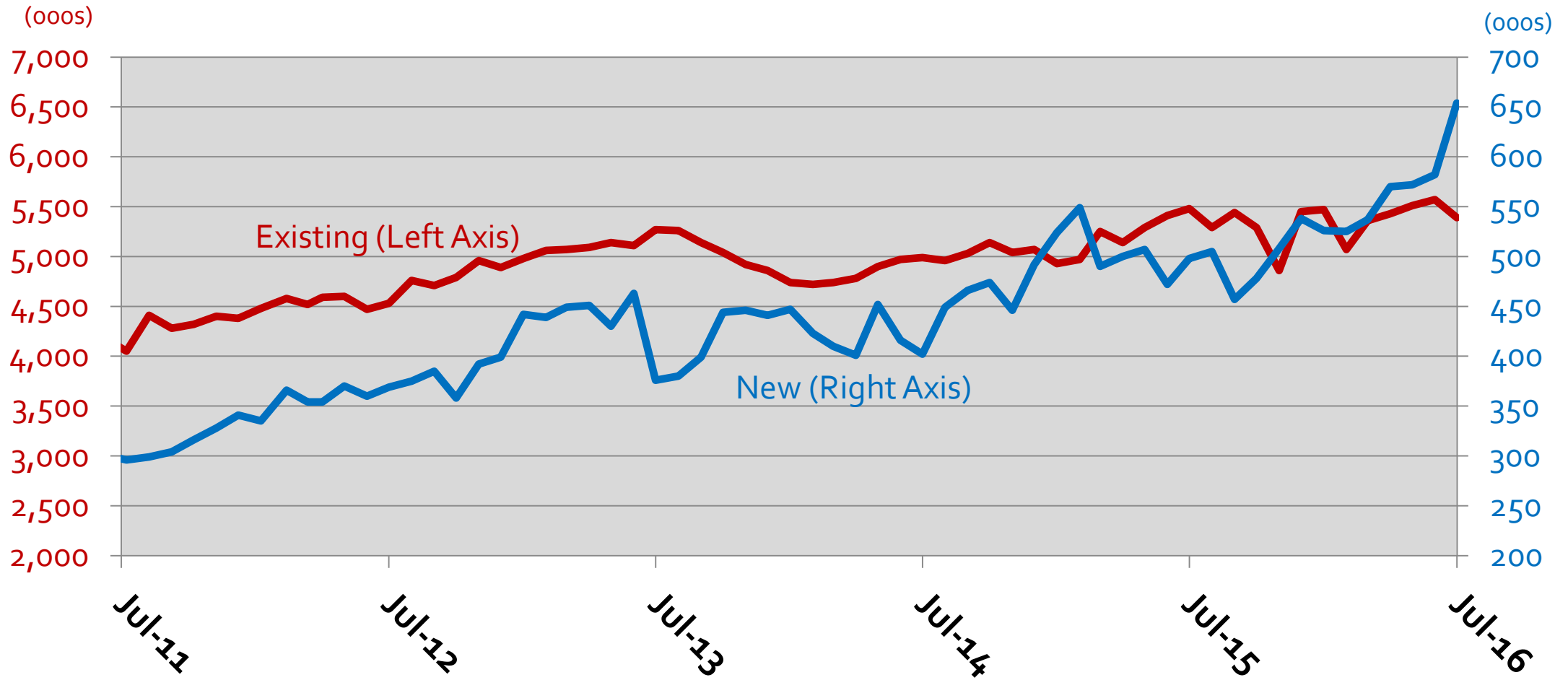
Month-Over-Year Percent Change



ISM Manufacturing and Non-Manufacturing Indices

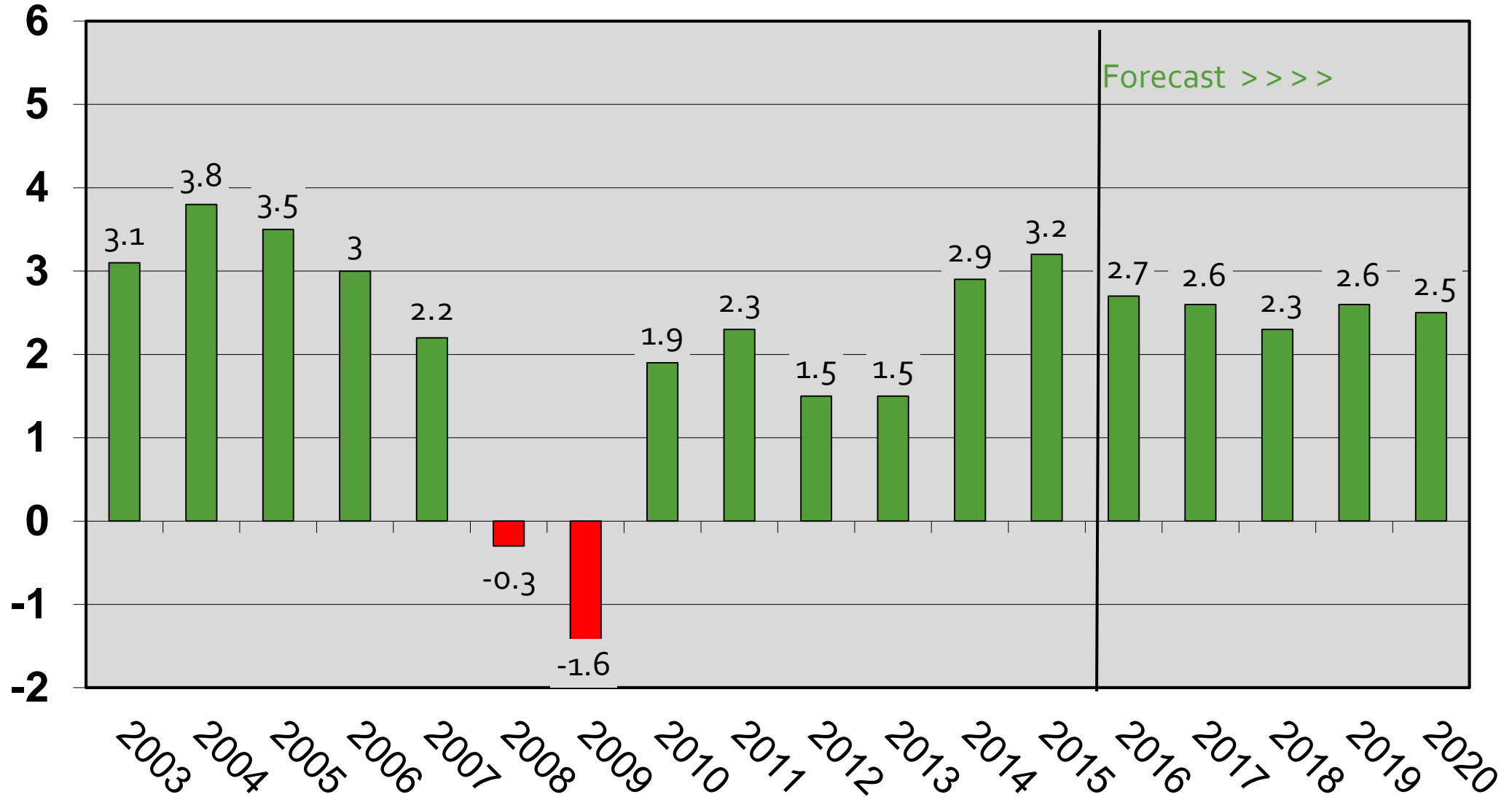


U.S. New and Existing Home Sales



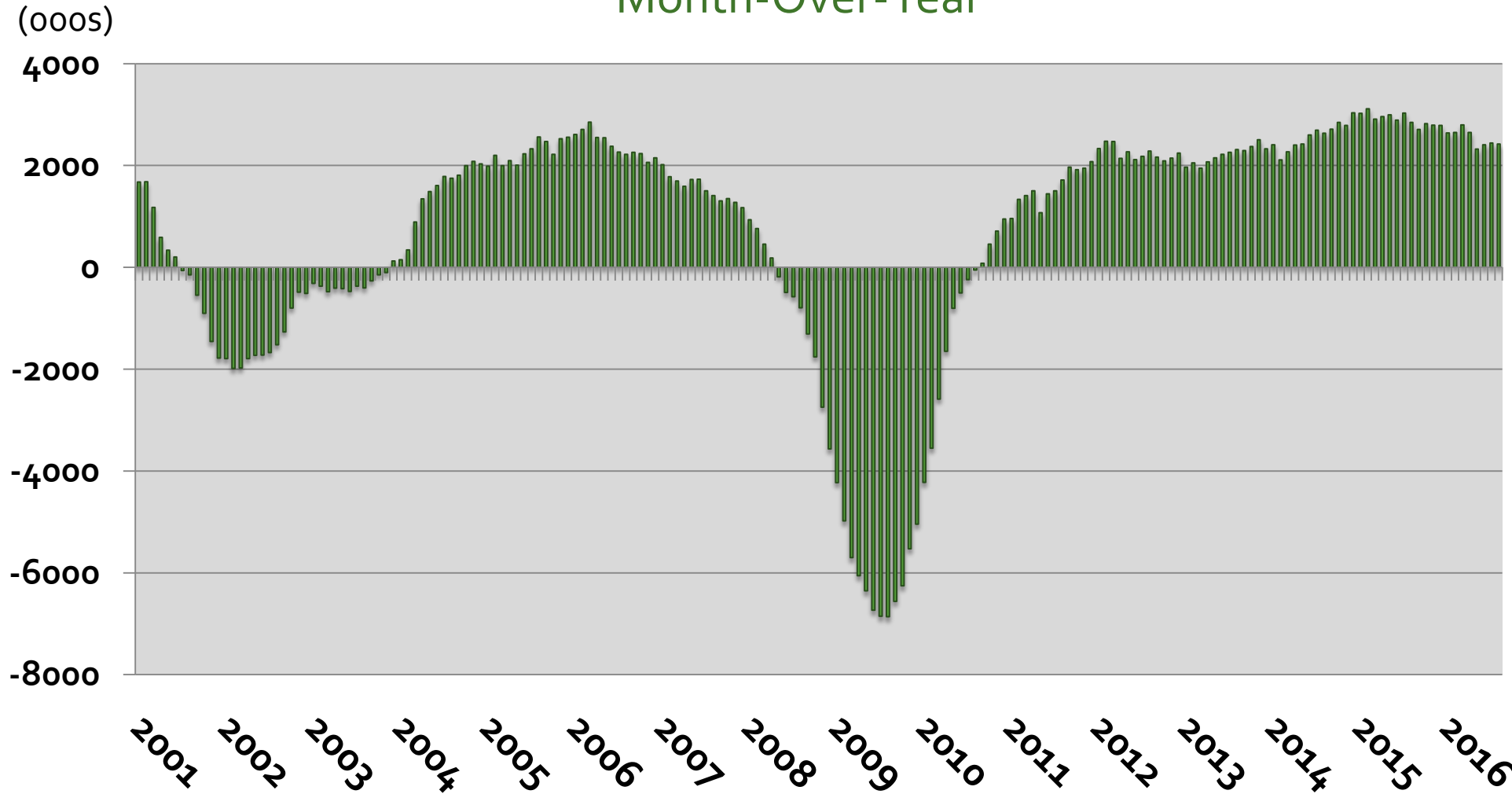
Source: National Association of Home Builders (New), National Association of Realtors (Existing)

Growth in Total Consumption Outlays



Annual Change in Payroll Jobs – US

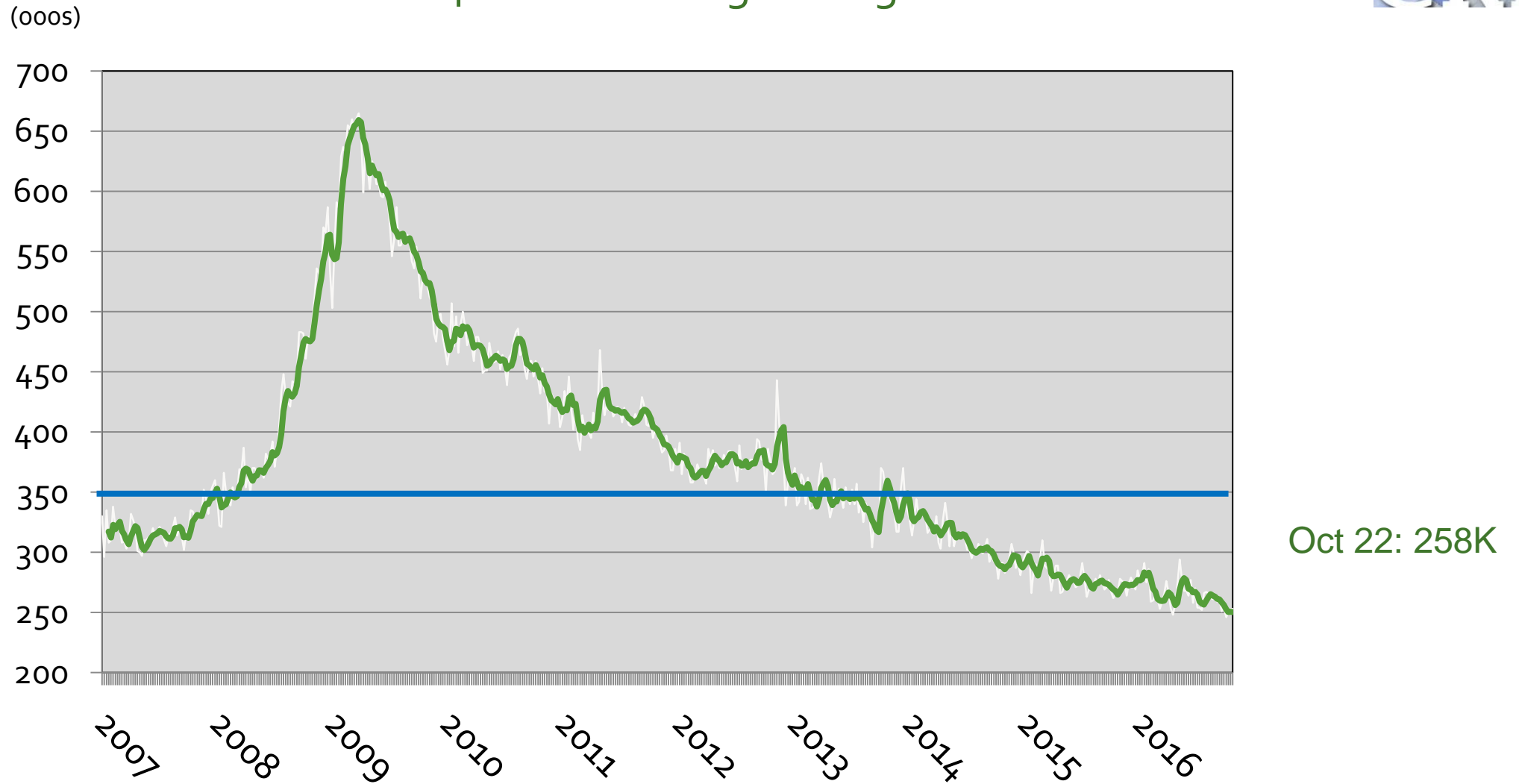
Month-Over-Year



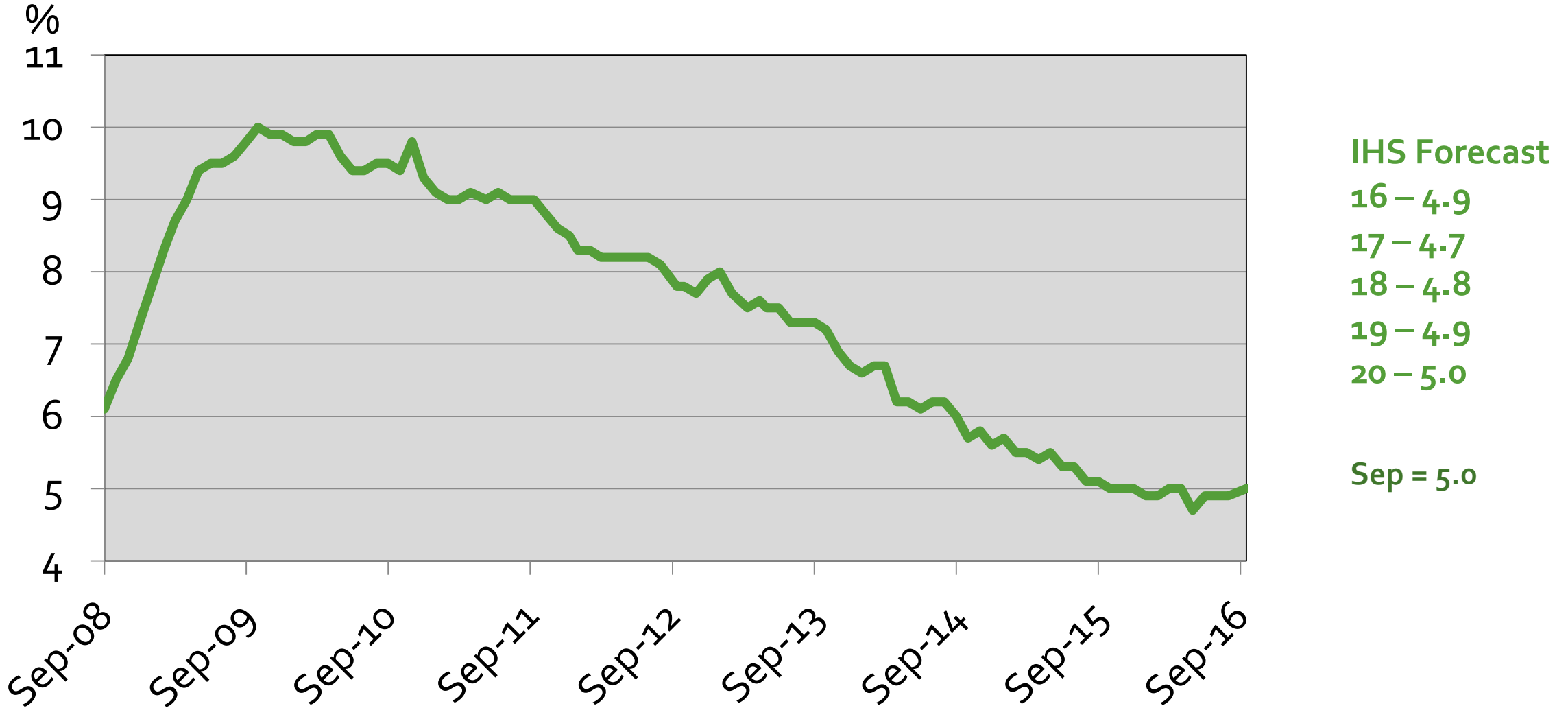
Sep =
+2.4M

Initial Claims for Unemployment

4-Week Moving Average

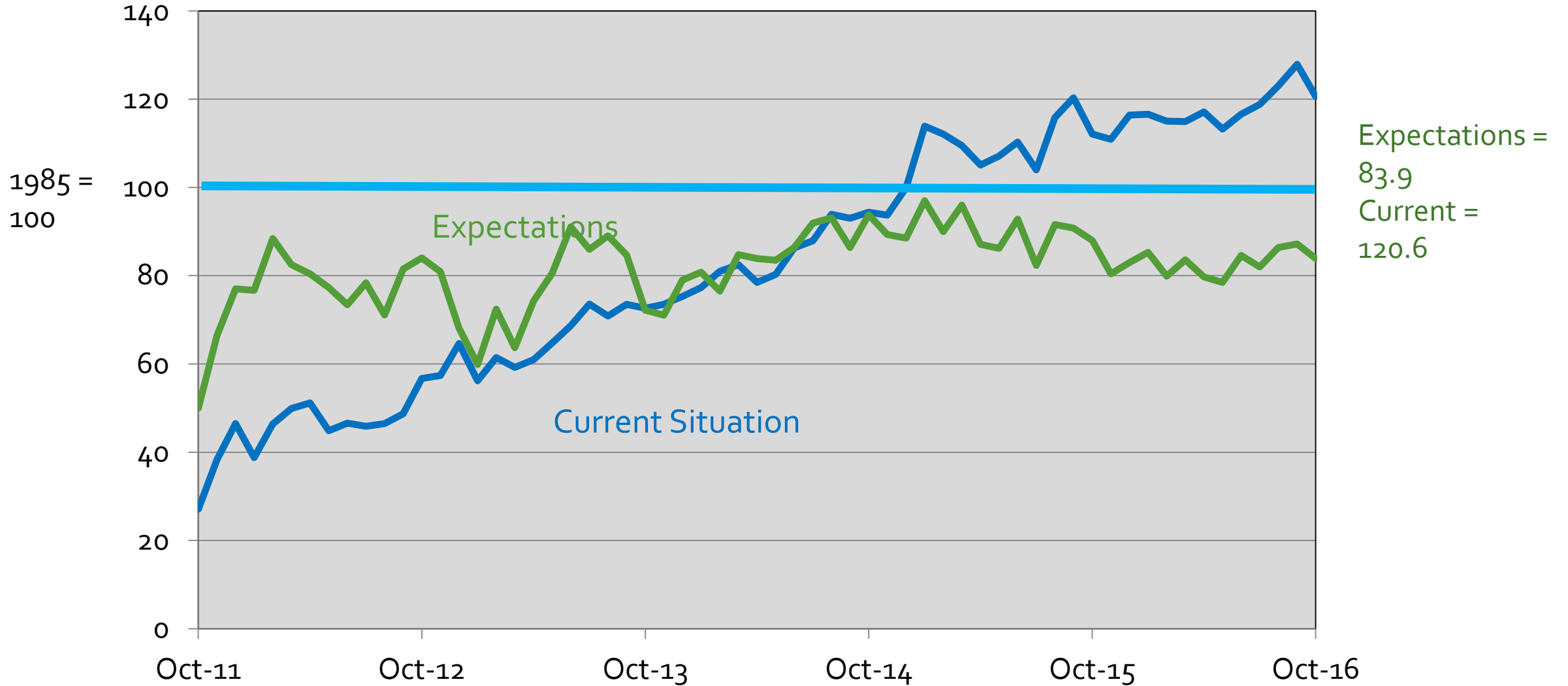


U.S. Unemployment Rate



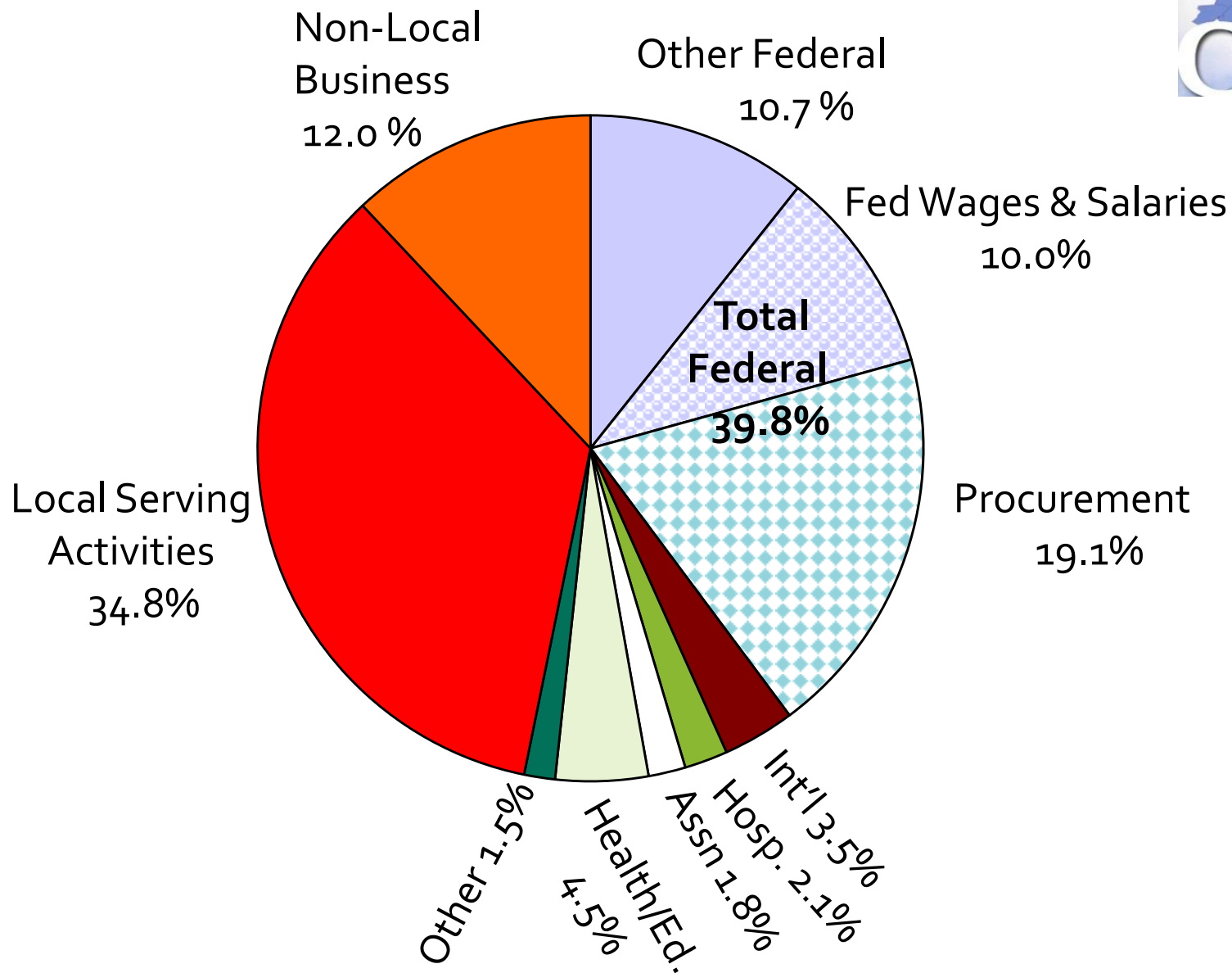
Source: Bureau of Labor Statistics (Seasonally Adjusted), IHS Economics August 2016

Consumer Confidence

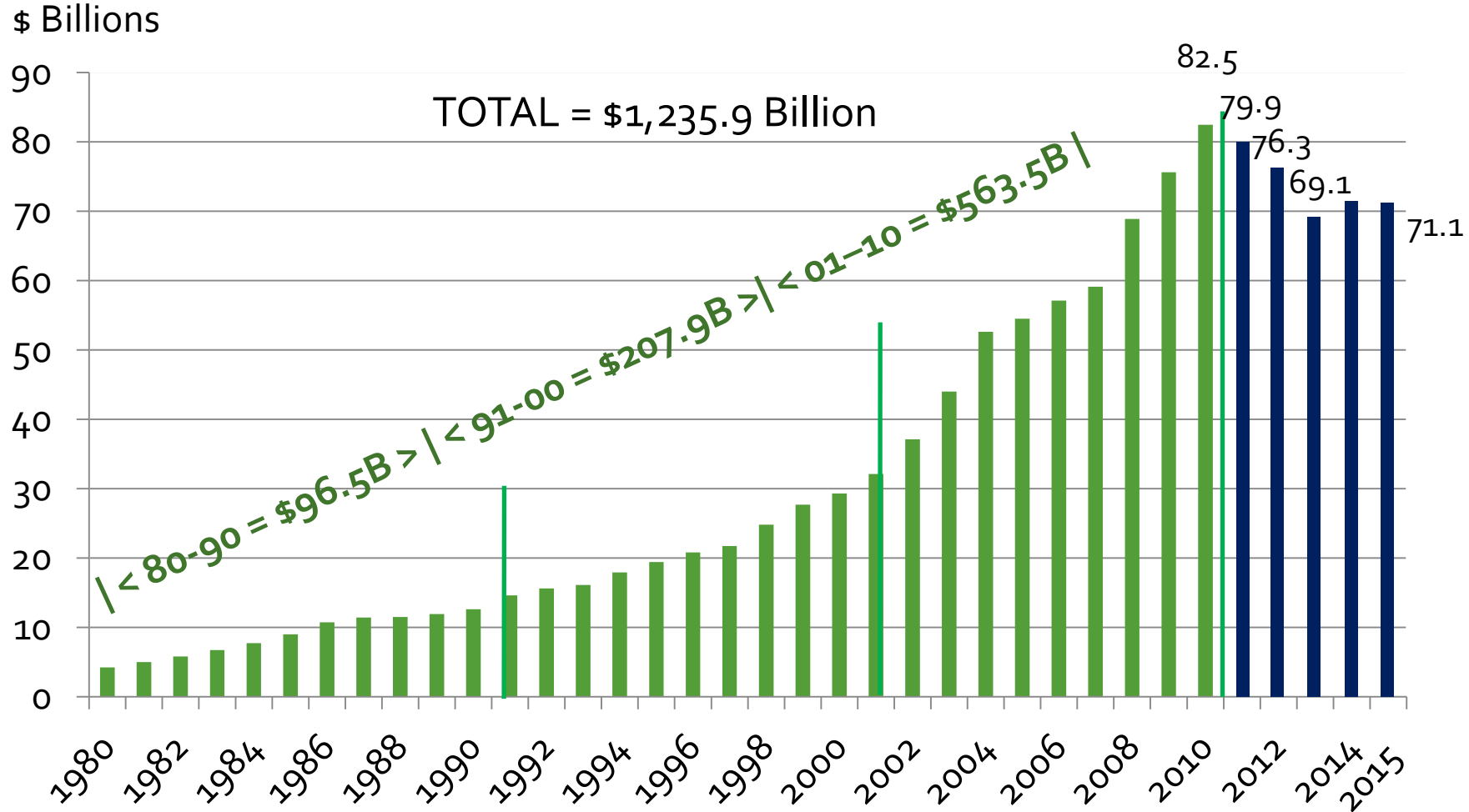


The Washington Economy

2010 Structure of the Greater Washington Economy



Federal Procurement in the Washington Metro Area, 1980-2015



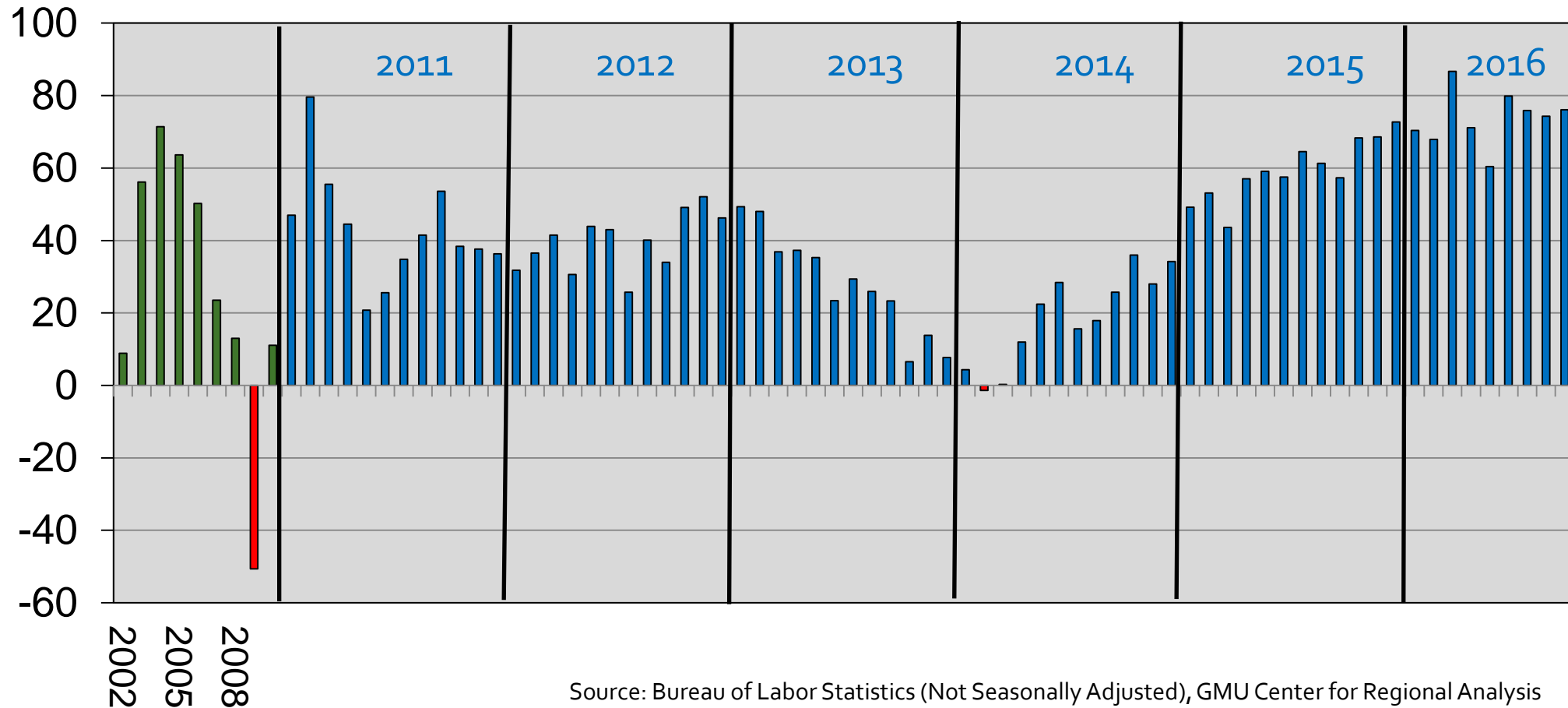
Source: US Census, Consolidated Federal Funds Report and USAspending.gov

Annual Job Change Washington MSA, 2002-2016



Annual Data

Annual Month over Year



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

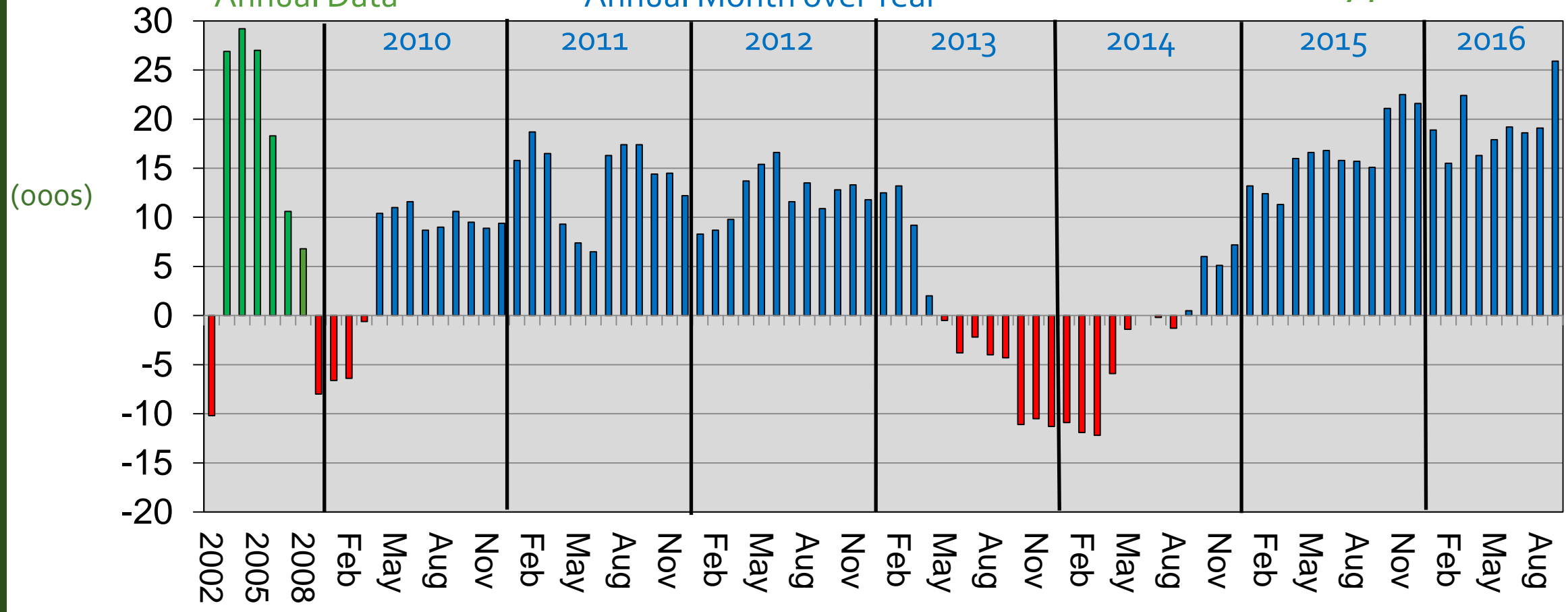
Professional & Business Services Washington MSA



Sep-16
Total: 746.1

Annual Data

Annual Month over Year



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Professional & Business Services Washington MSA

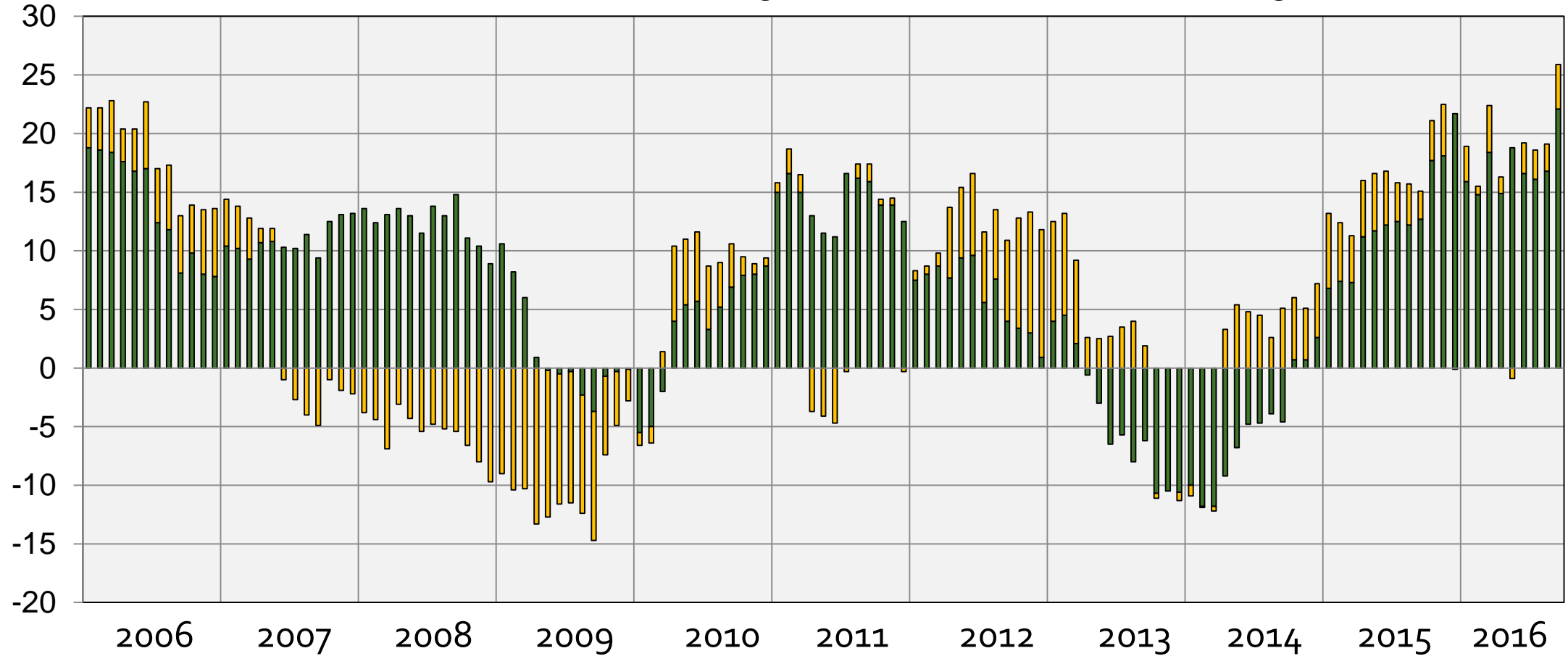
Annual Month Over the Year



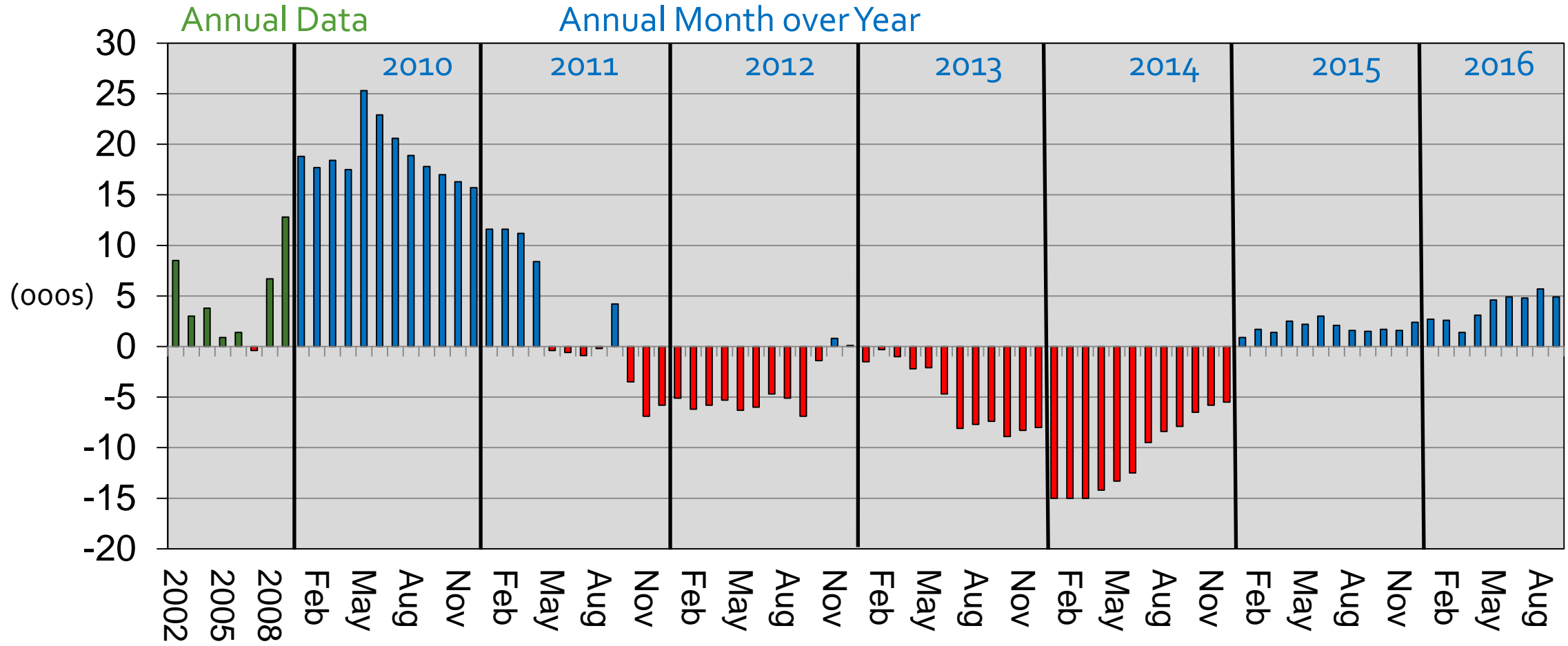
(000s)

■ Prof., Sci. & Tech. Svcs & Mgt.

■ Admin. & Waste Mgt.



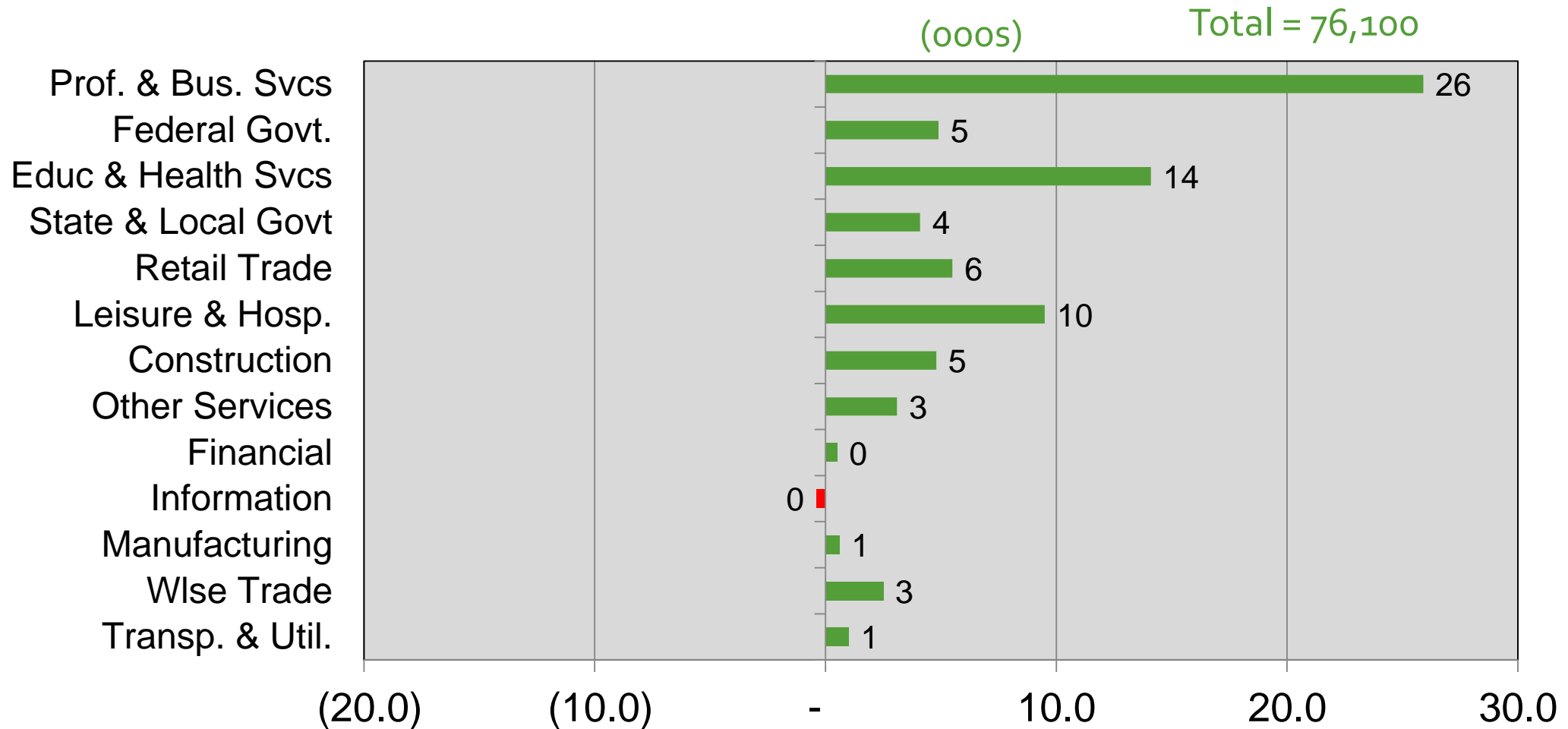
Federal Government Washington MSA



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Sep-16 Total: 369.8

Job Change by Sector Sep 2015 – Sep 2016 Washington MSA

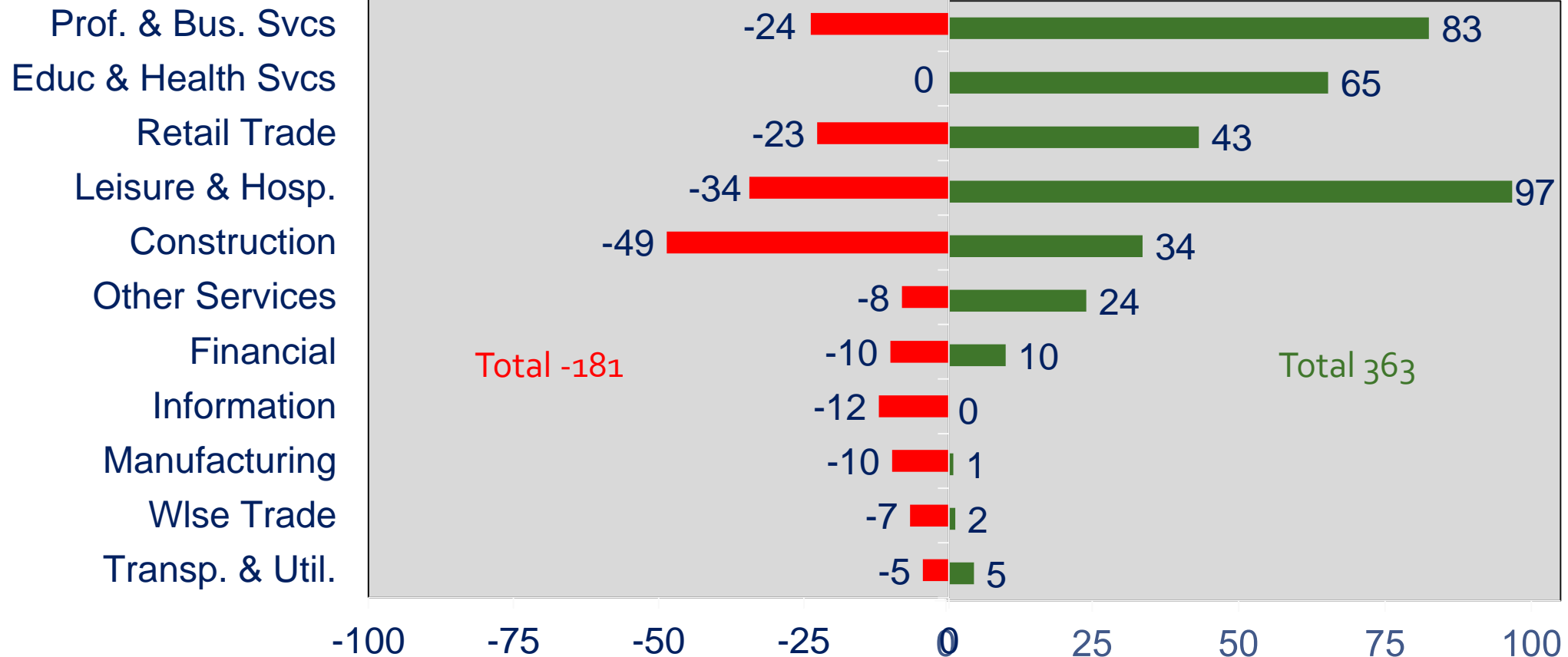


WMSA Payroll Job Change: Private Sector The Great Recession and Recovery



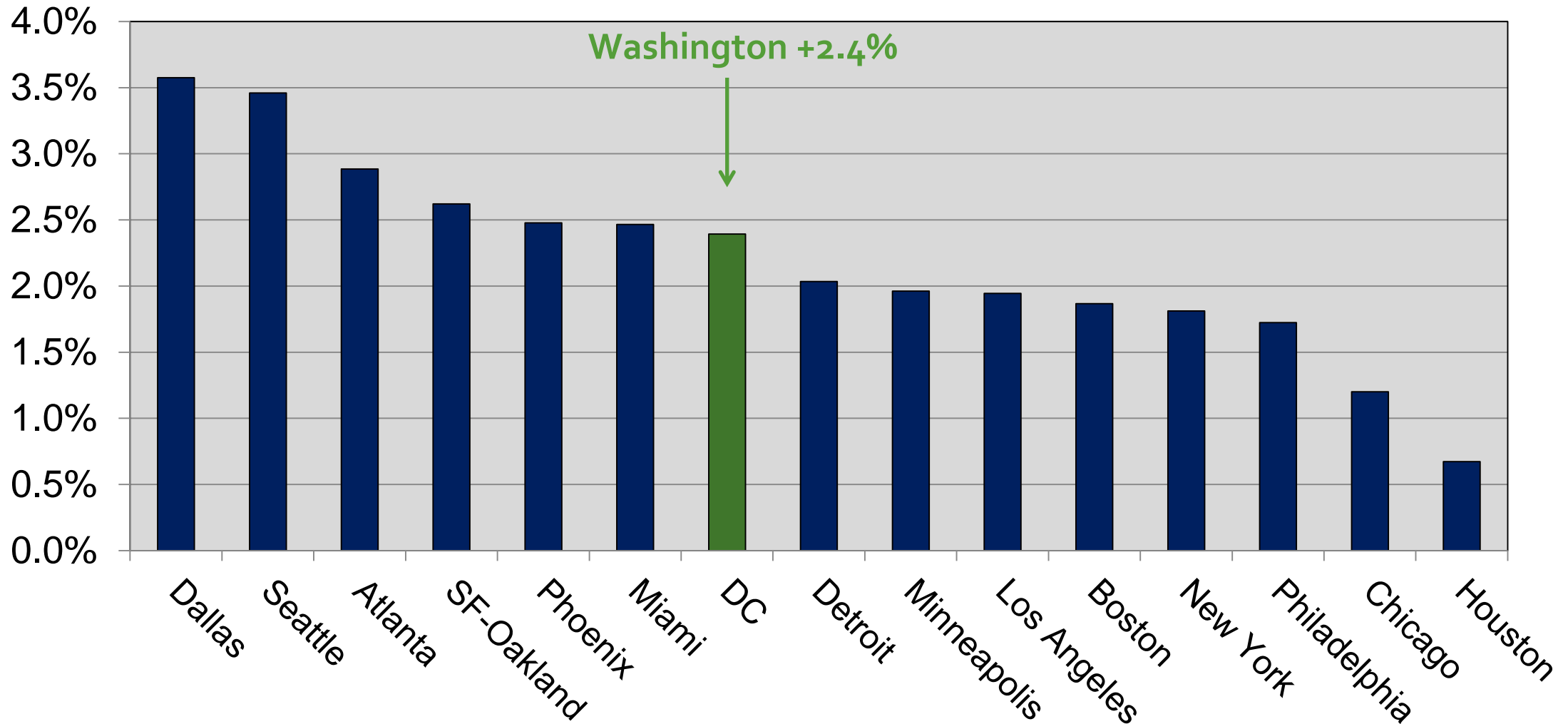
Aug 2008-Feb 2010

Feb 2010-Jul 2016

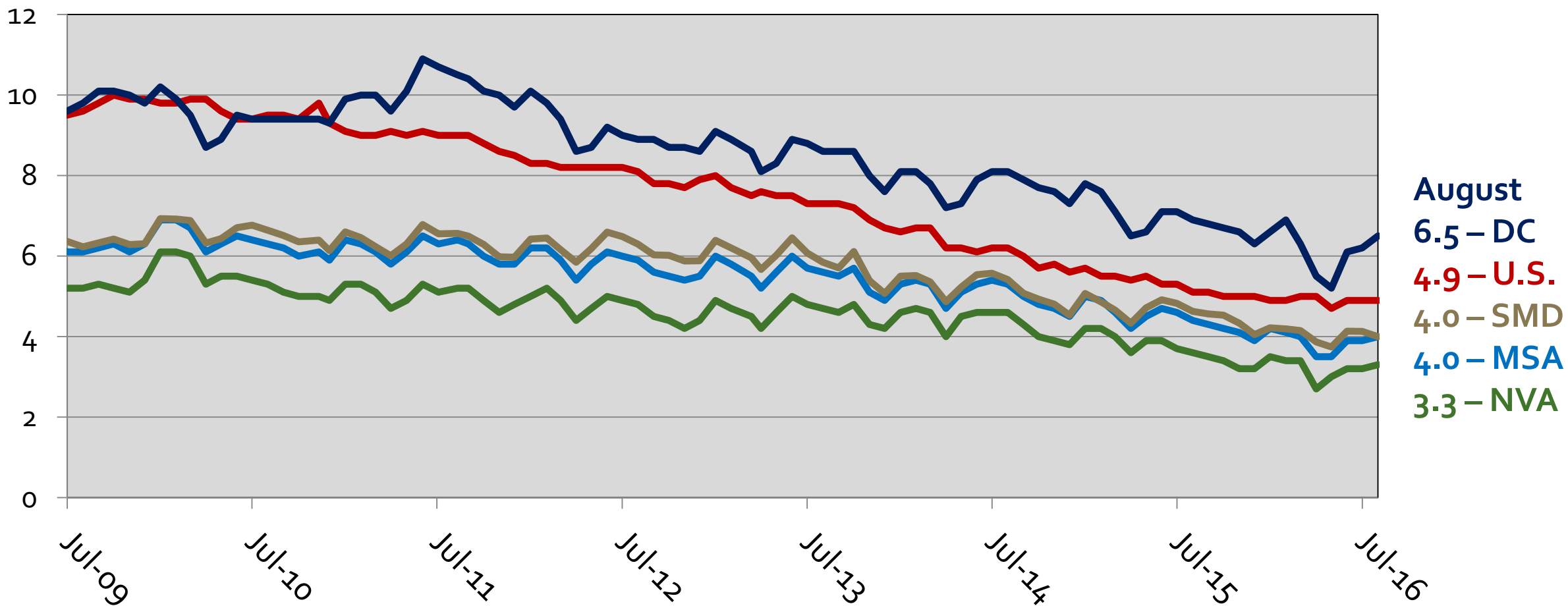


15 Largest Job Markets

Job Change: Sep 2015 – Sep 2016

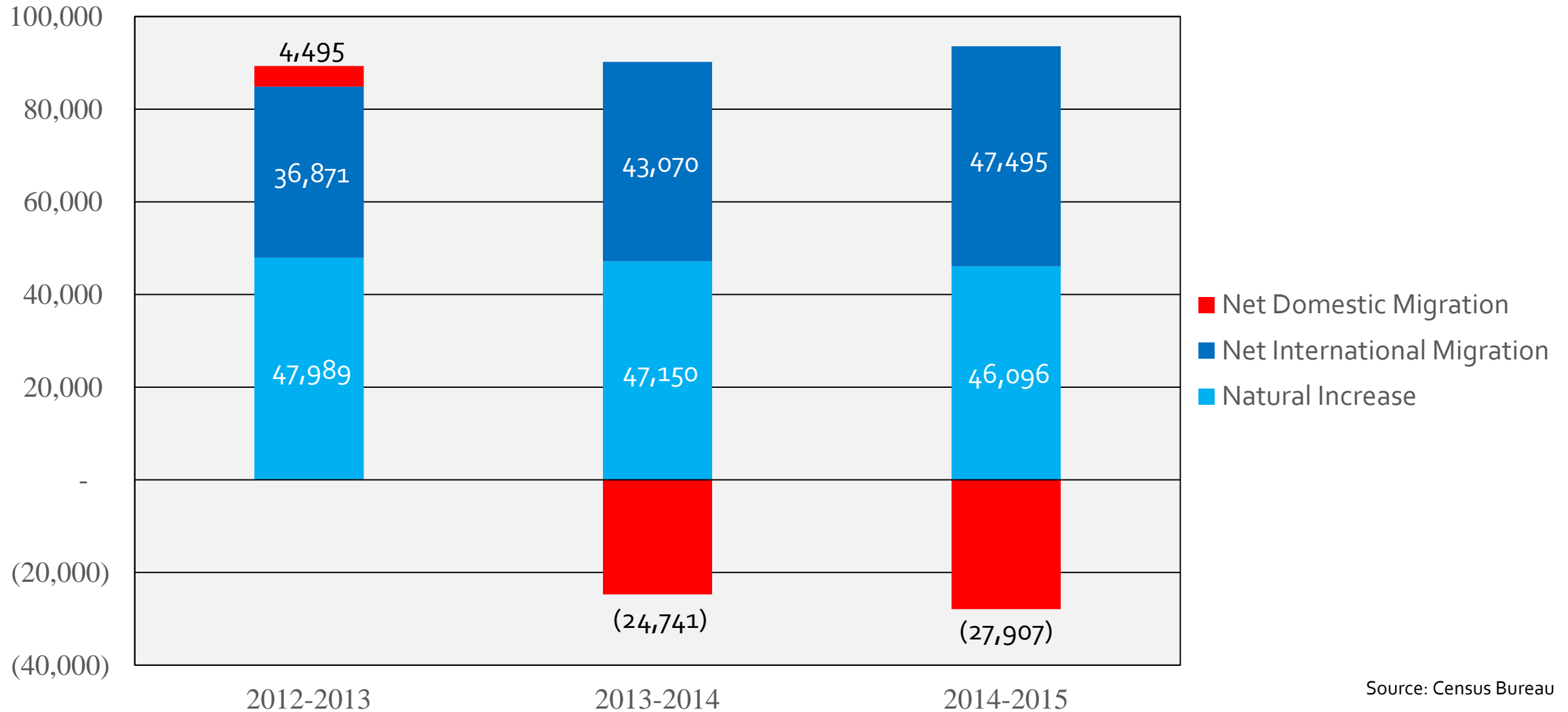


Unemployment Rates in the WMSA By Sub-State Area, 2009-2016



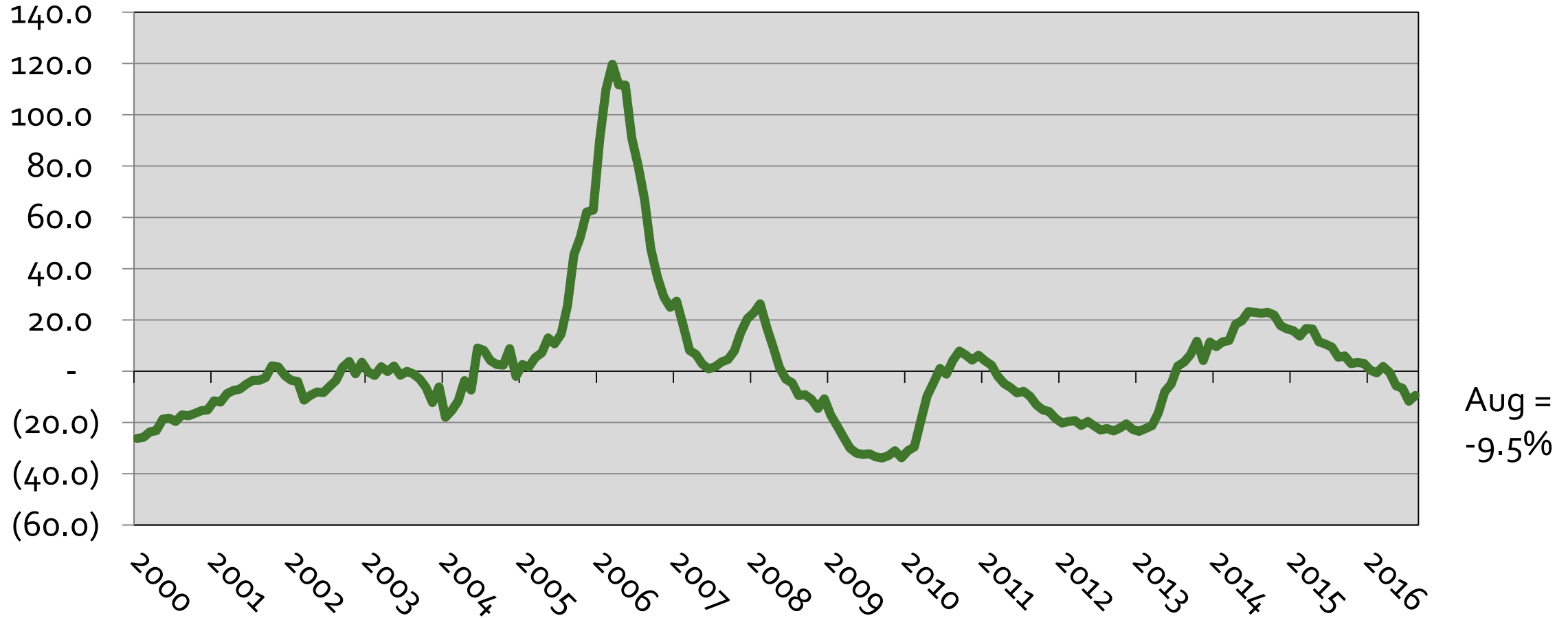
Source: Bureau of Labor Statistics (Region - Not Seasonally Adjusted, US – Seasonally Adjusted)

WDC Metro Area Population Components of Change



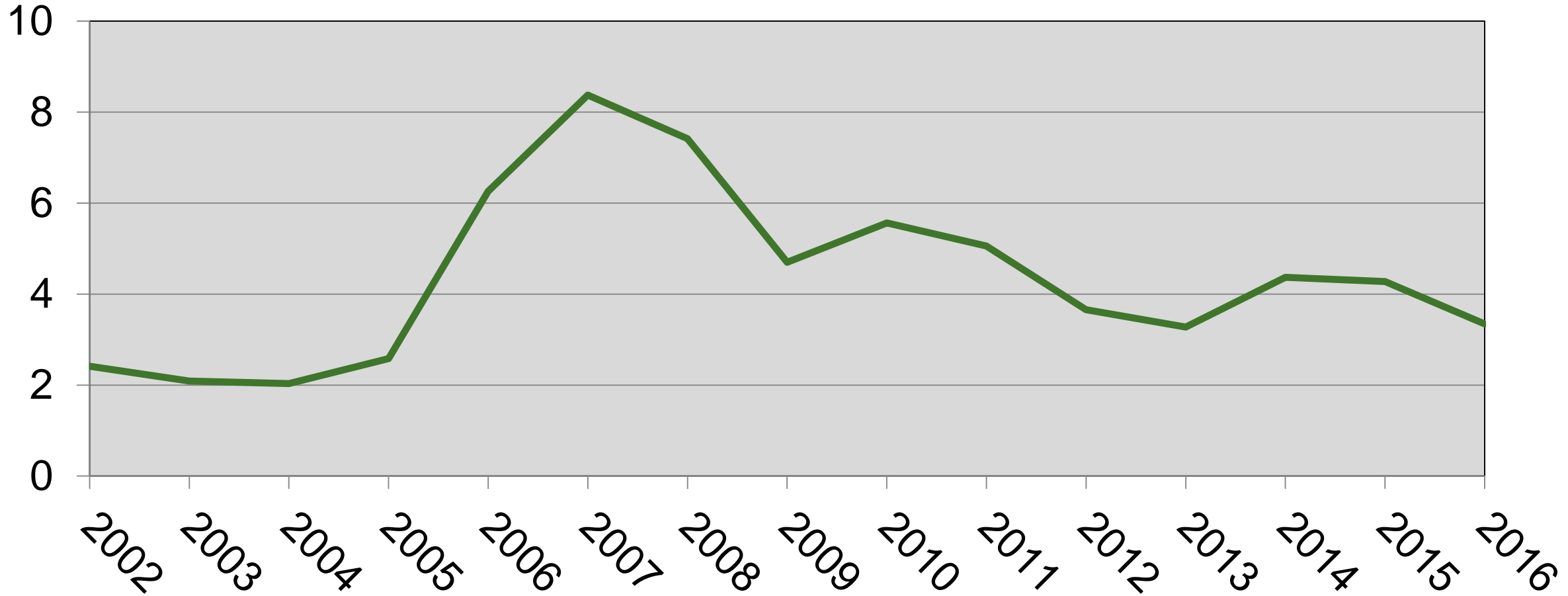
Percent Change in Inventories of Existing Homes

Month-Over-Year 2000 – 2016, MSA

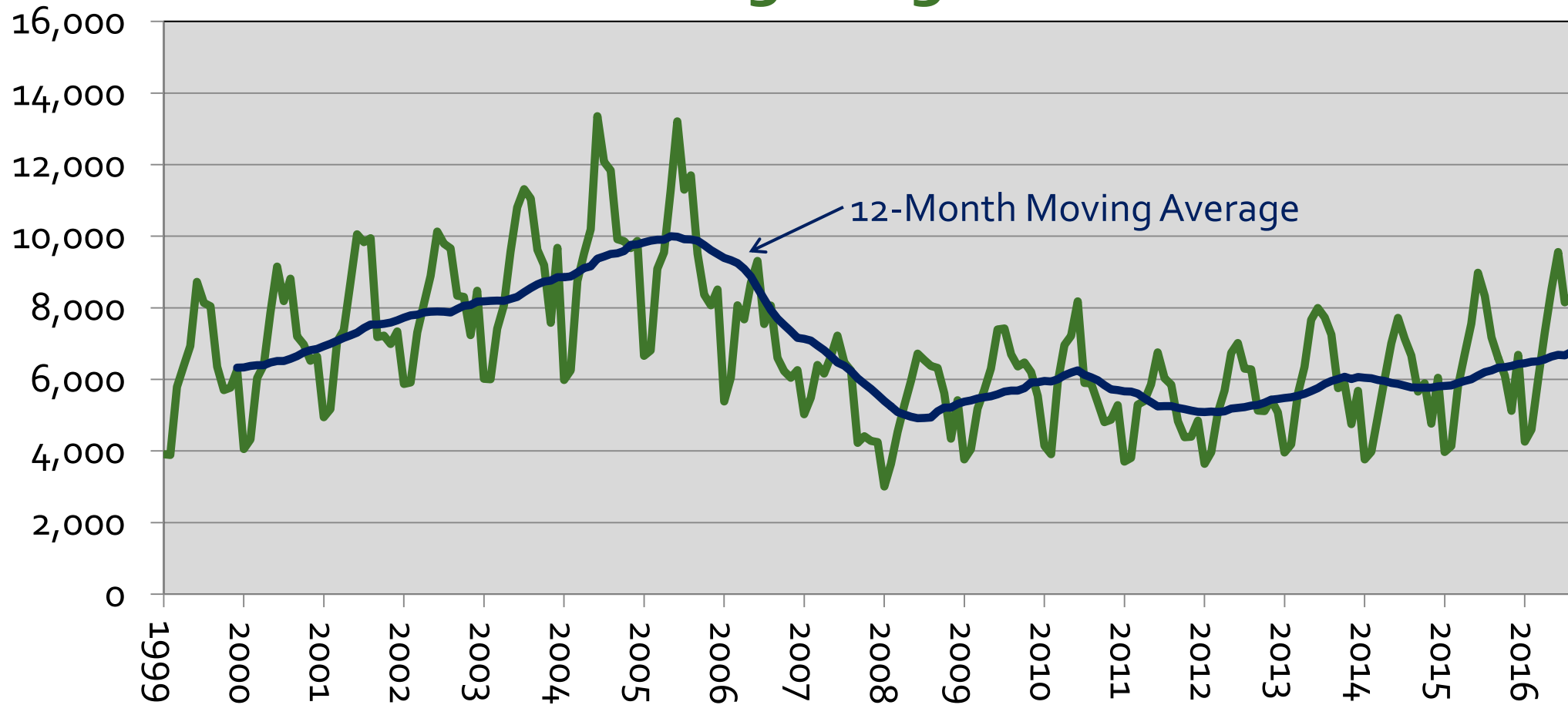


Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis. Total monthly inventory includes listings active at the end of the month plus sales during the month.

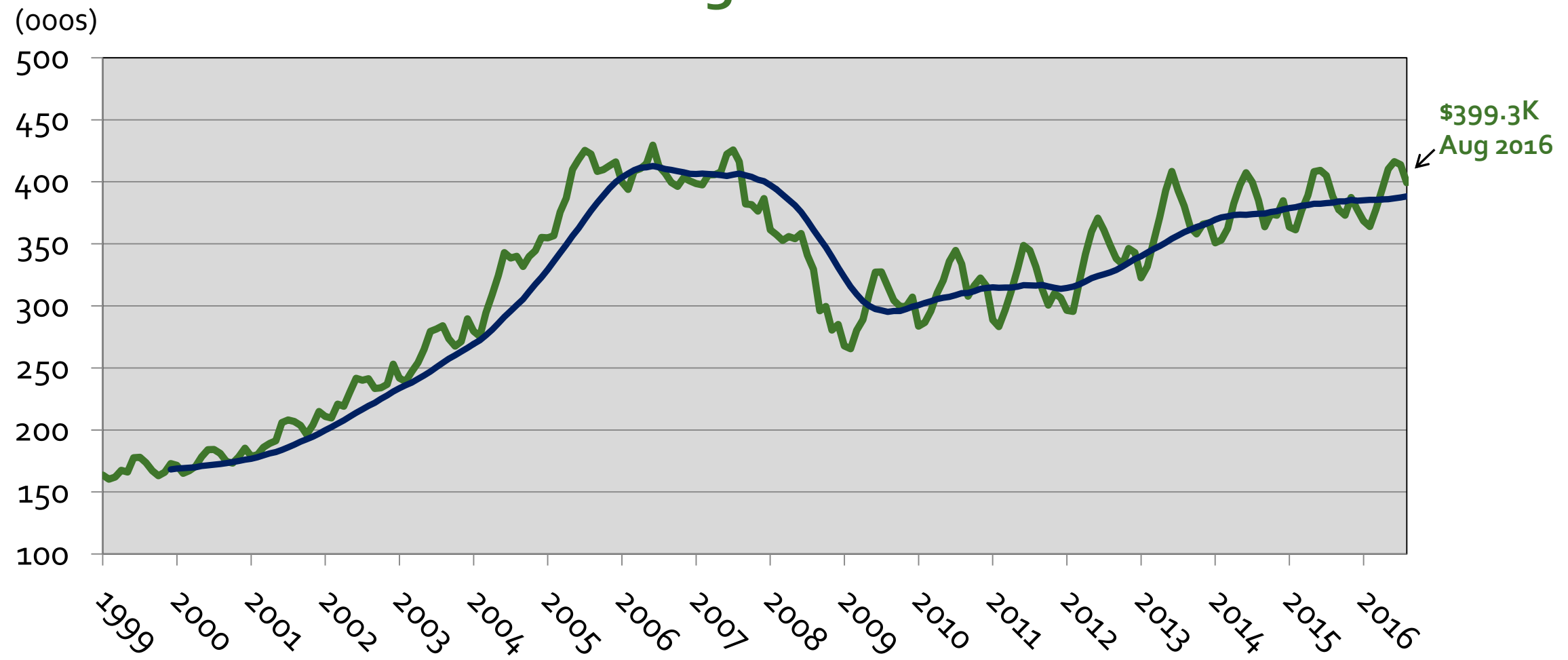
Total Active Listings Per Sale Aug Each Year – Metro Area



Existing Home Sales Washington MSA Through Aug 2016



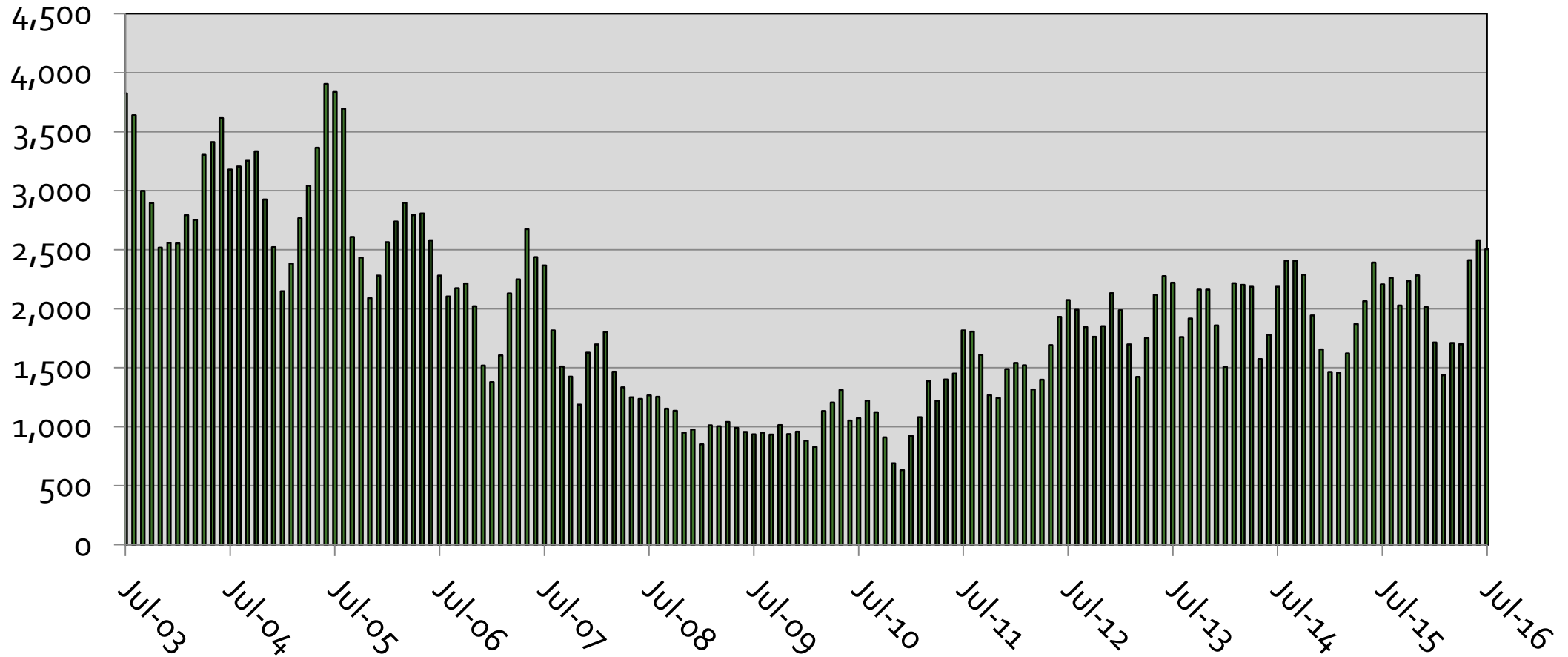
Median House Sales Price Washington MSA



Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

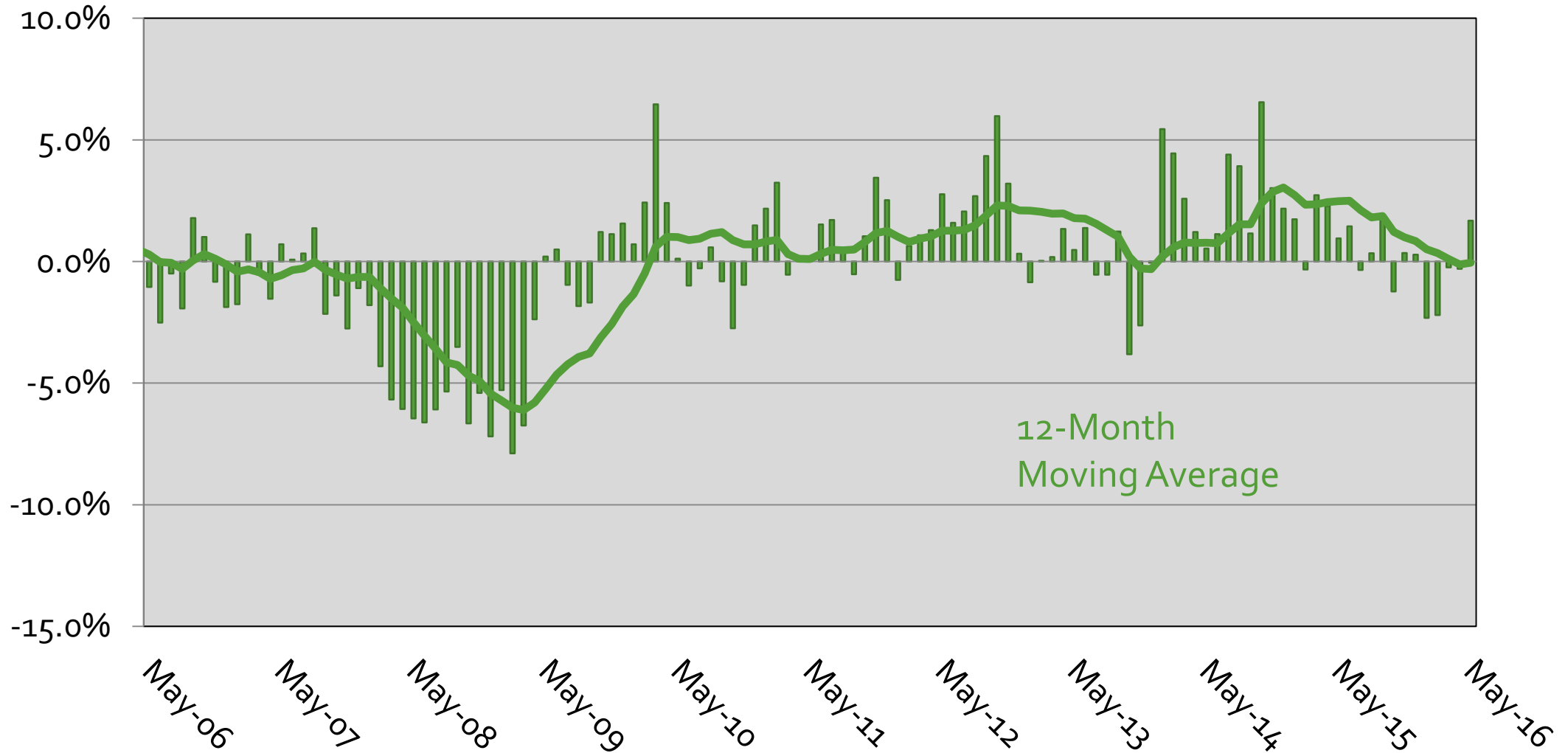
Washington MSA Building Permits

2003 – 2016, 3-Month Moving Avg



Washington MSA Leading Economic Index

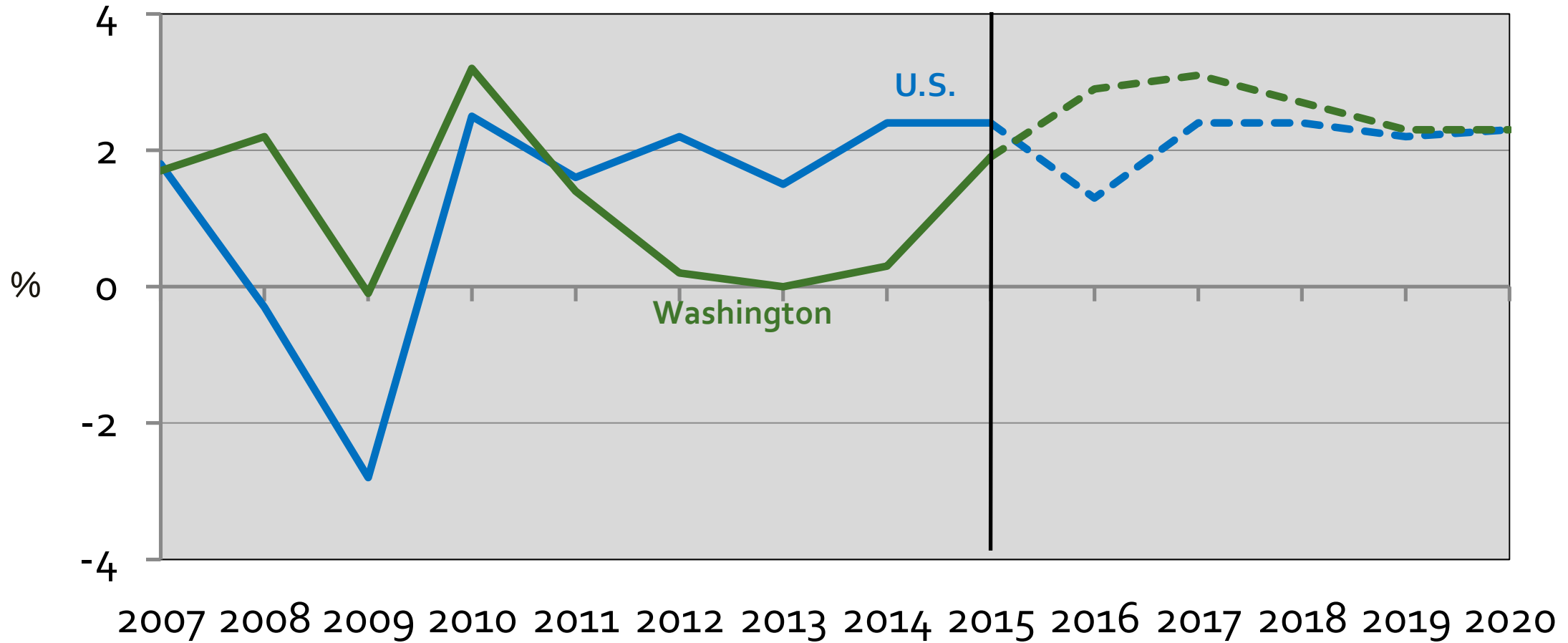
Month-Over-Year Percent Change



U.S. GDP and Washington Area GRP



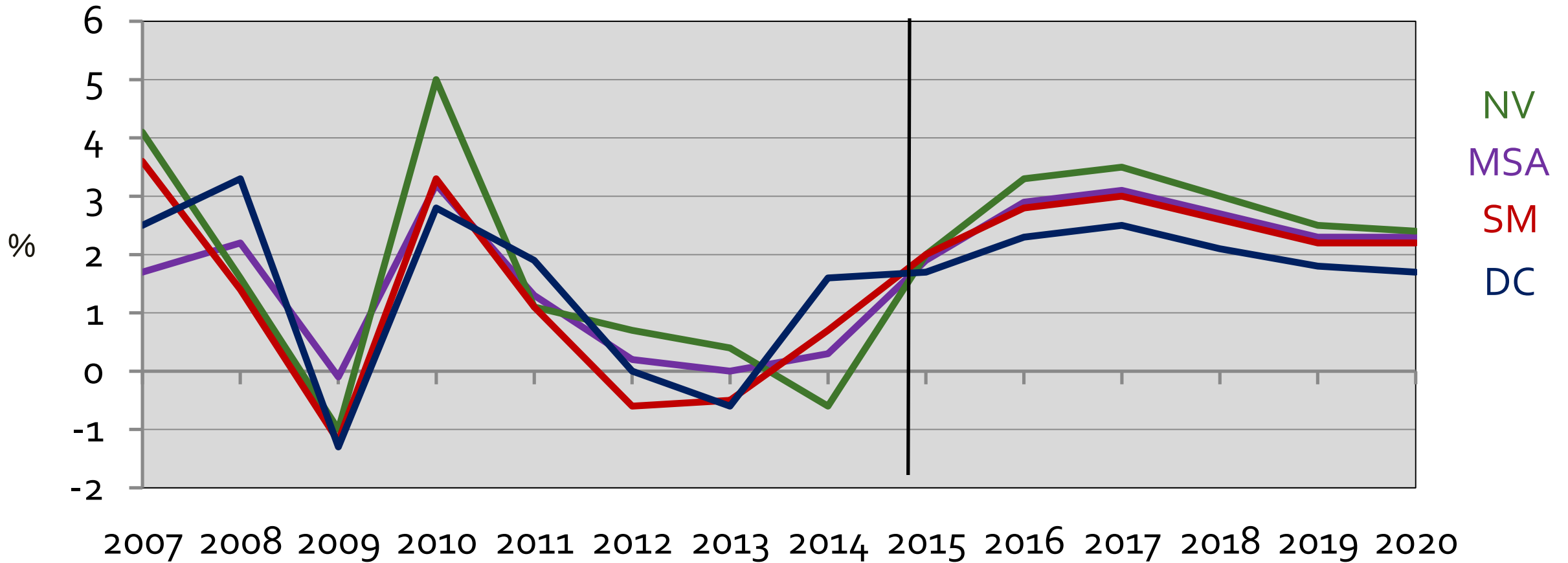
2007 – 2015 – 2020
(Annual % Change)



Economic Outlook (GRP), 2007-2020

Washington Area and Sub-State Areas

(Annual % Change)



Source: GMU Center for Regional Analysis, Forecast: April 2016

Employment Change in the WMSA by Sub-State Area (000s)



	2013	2014	2015	2016	2017	2018	2019	2020
D.C.	13.0	6.5	14.7	14.1	9.7	10.6	8.9	8.2
Sub. MD	6.1	11.1	17.4	20.2	17.7	14.1	12.0	11.0
No. VA	8.9	1.3	27.3	25.5	23.6	15.9	13.7	12.6
REGION	28.0	18.9	59.4	59.8	51.0	40.6	34.6	31.8

Source: BLS, IHS Economics, GMU Center for Regional Analysis (January 2016)

NOTE: The regional totals do not include Jefferson, WV.

Average Annual Change 1990-2010 = 36,000

Where are we?

- **We are growing:**
 - Some diversification
 - Some catch-up
 - Recent job growth across all wage levels
- **Advantages**
 - Government Center
 - International Institutions
 - Connectivity to the World
 - Concentration of Leaders
 - High Quality-of-Life
 - Diverse Population
 - Higher Educational Services
 - Educated Work Force
 - High Labor Force Participation
 - Advanced Occupational Specializations
- **Headwinds**
 - Sequester?
 - Further market shifts needed
 - Cost of living
 - Cost of doing business
 - Mobility
 - Access to capital
 - Lack of regional branding, economic development cooperation
 - Globally competitive?

Thank You Questions

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